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RUEAIIA/CIA WASHINGTON DC
RHMCSUU/FBI WASHINGTON DC 0000
RUEKJCS/SECDEF WASHINGTON DC
RUCPDOG/USDOC WASHINGTON DC 0000

UNCLAS STATE 127325

SENSITIVE
SIPDIS
BERLIN FOR SHANE PETERSEN

E.O. 12958: N/A
TAGS: [ETTC](#) [KOMC](#) [GM](#) [BM](#)
SUBJECT: BLUE LANTERN LEVEL 3: POST-SHIPMENT END-USE CHECK
ON LICENSES TA113-04C

REF: CIA OSC SEP20061124035010 - RANGOON THE NEW
LIGHT OF MYANMAR IN ENGLISH 24 NOV 06

11. (U) This is an Action Request. See paragraph 4.

12. (U) The Department's Office of Defense Trade Controls Compliance (PM/DTCC) requests Post's assistance in conducting a post-shipment check on Technical Assistance Agreement TA113-04C for the export to Germany of technical data related to the production of ammunition manufacturing equipment. Post is requested to complete this Blue Lantern check within 45 days. Lack of response to a Blue Lantern check will affect pending and future licenses involving parties to this license.

13. (SBU) Reason for Request: This Technical Assistance Agreement (TAA) is for the transfer of technical data to Germany to facilitate the design and production of ammunition manufacturing equipment. The end-user in this TAA Fritz Werner Industrie-Ausrustungen GmbH of Germany (Fritz Werner Germany) will produce the ammunition manufacturing equipment. The company has a long history in Burma that culminated in the establishment of Myanmar Fritz Werner Industries Co. Ltd. in Burma (Myanmar Fritz Werner). Burma is currently a proscribed country under part 126.1 of the International Traffic in Arms Regulations (ITAR). The current relationship between Fritz Werner Germany and Myanmar Fritz Werner is unclear. Open source reporting indicates that a delegation from Fritz Werner Germany was in Burma as recently as November 2006 (REFTEL). This check is to determine the extent of Fritz Werner Germany's involvement with Myanmar Fritz Werner and to establish the bona fides of the German company.

14. (SBU) Action Request: Post is requested to establish the bona fides of German end-user Fritz Werner Industrie-Ausrustungen GmbH by making inquiries with representatives of the company and German government officials. Specifically, Post is requested determine the relationship between the company and Myanmar Fritz Werner Industries Co. Ltd. of Burma. Post is also requested to make inquiries with other U.S. agencies at Post for any information on the company. The following points are included for guidance:

(To Fritz Werner Industrie-Ausrustungen GmbH)

--When was your company established and who are its principals?

--What products and services does your company provide? Who are your regular customers and where do they reside?

--What are you annual sales of U.S.-origin defense articles, technical data, and services?

--Do you sell U.S.-origin defense articles, technical data, or services to customers that reside outside Germany? Do you ever use U.S.-origin technical data to manufacture defense articles that are then sold to parties outside Germany?

--Do you have any offices or subsidiaries outside Germany? If so, what are the names of these companies and where do they reside? Please explain your relationship to these companies.

--Do you have an official relationship with Myanmar Fritz Werner Industries Co. Ltd. of Burma? If so, please describe this relationship. Do you provide any defense articles or services to this company or the Government of Burma?

--Are you familiar with the regulations governing U.S.-origin defense articles and technical data, including restrictions on re-transfer, re-export, and changes in end-use?

(To Appropriate Import/Export and/or Law Enforcement Authorities)

--Do you have any information on Fritz Werner Industrie-Ausrustungen GmbH that would question their reliability as a recipient of U.S. defense articles or technical data?

--Are you aware of any business relationships with questionable entities outside Germany?

--Is trade with entities in Burma legal under German laws and regulations?

In its reply, Post may also comment on any other information pertinent to these transactions such as security of facilities, end-use, and concerns about the entities involved.

15. (U) Details of license applications:

DTC Case: TA113-04C

QUANTITY/COMMODITY:

Equipment and technical data for ammunition case forming for 5.56mm, 7.62mm, and .50 caliber ammunition

License Value: USD \$298,000

SELLER:

Alliant Techsystems Inc.
Lake City Ammunition Division
Highways 7 & 78
Independence, MO 64051-1000

FOREIGN END-USER:

Fritz Werner Industrie-Ausrustungen GmbH
IndustrieStraBe 13
65366 Geisenheim, Germany

PURPOSE:

For the design and production of ammunition manufacturing equipment to be used by Alliant Techsystems Inc.'s Lake City Ammunition Division

16. (U) Please slug reply for PM/DTCC - BLUE LANTERN COORDINATOR and include the words "Blue Lantern" and the case number in the subject line. POC is Kyle M. Ballard, Phone: 202-663-1929; Email: BallardKM@state.gov; SIPRNET: BallardKM@state.sgov.gov. The Blue Lantern Guidebook (ref) is available as a PDF file on Intellipedia: <http://www.intelink.gov/wiki/> Blue Lantern End-Use Monitoring Program

17. (U) Department is grateful for Post's assistance in this matter.
CLINTON